

Report of the Policy and Finance Committee meeting held on 26th June 2008

Present: Councillors R Butcher, C Carter, S Giles, J Goodwin,
D Harrington, G Murphy, R Pegram and H Williams.

Apologies: Councillor G Harper

This report contains items considered by the Committee which are submitted to the Fire Authority for information. The following matter is also considered by the Committee and a separate report is included on the Fire Authority's agenda for decision:

- **Fire Service Mutual Insurance**

1. ICT STRATEGY 2008 - 2010

The Committee has considered a revised ICT Strategy for the period 2008 to 2010.

The last ICT Strategy agreed in September 2004 has served CFRS well in that it identified the critical importance of information management and data driven decision-making at an early point.

The strategy has either driven or enabled the following:

- Endorsement of a central data repository where data is stored and managed centrally and access made available to individuals with authorised business need to do so.
- This has been critical in enabling the use of FSEC, Views and Service modelling by ORH.
- Implementation of a common reporting tool across key business areas (i.e. Cognos).
- Implementation of document management to store all key documents and other information across the Service in a controlled and managed way.
- Implementation of secure, robust, web based remote access to Service systems to support flexible working.
- Pursuit of ISO 27001 for information security management.
- Provided the foundation for the redevelopment of CFRS web presence and intranet to build on the availability of the above.

However, there were a number of key business drivers for updating the strategy as follows:

- New management team in place at CFRS with a vision demanding more effective and efficient use of resources.
- Greater clarity now existed for national Fire projects:
- FireLink is in the planning and implementation phase.
- FiReControl supplier has been selected and this major project is now within the planning horizon for CFRS.
- Service improvement plans that will potentially drive changes in working patterns.
- Apparent desire for closer co-operation and collaboration between Services within the Region on ICT based projects e.g. common Finance system with Essex.
- Need to input to, and influence, Regional ICT future direction and to consider the use of common Fire related systems within the Region.
- Short-term need to review the data network requirement at CFRS.
- Window of opportunity to invest in ICT in the short-term to drive long-term efficiencies and/or cost reductions.
- Technology has developed significantly since the production of the last ICT strategy.

The following input has been taken into account in developing the new strategy:

- Review of current CFRS plans and strategic objectives.
- Review of national Fire project deliverables.
- Structured interviews with key CFRS staff and stakeholders.
- Review of ICT direction taken by constituent FRA members.
- From the above process, the following business opportunities had been identified and for each of these opportunities, key business drivers and benefits and related ICT development opportunities has been documented:
 - Meet Legislative Requirements
 - Maximise Efficiency & Effectiveness of Resources
 - Enable Managers to Manage Effectively
 - Maximise & Measure Workforce Skills
 - Effective Targeting of Resources & Analysis of Outcomes
 - Maximise Partner / Supplier Value
 - Enable (Step) Change
 - Communicate Effectively

The Strategy also includes the definition of the following guiding principles for the delivery of the ICT service:

- ICT must be an enabler not a barrier
- 24 x 7 operation
- Customer focused ICT
- Professional service management
- Seek new and innovative ways of delivering
- Adopt environmentally sound approach to full life cycle ICT investment

The Strategy also involves the establishment of an “Intelligent Hub” which will draw together a number of the residual functions which will not be integrated into the new Regional Control Centre in 2011 together with other disparate activities.

The Committee in discussing the Strategy commented and noted as follows

- Noted that the 2 year life span of the Strategy reflected both the timescale for implementation and the need for early review of the Strategy in the light of technological and other developments.
- Noted consideration is being given to collaborative working with other organisations, and in particular with the County Council in respect of the County ICT network from 2012.
- Discussed the advantages of flexible working supported by appropriate ICT systems and the County Council’s Workwise project. The need to address the cultural aspects of new ways of working is acknowledged.
- Noted the recent break in at Burwell Fire Station and the loss of cutting equipment. Noted that Smart water and signage would be installed in 2 weeks and other security works over the next 2 months. Police advice is to publicise the use of Smartwater as a deterrent. Full support is be given by Cambridgeshire Constabulary to the investigation of thefts from fire stations.
- Noted the need for checks and prompts where self-service recording by staff is undertaken.
- Discussed the sharing of information between organisations (e.g. issues noted during home fire safety checks) subject to data protection requirements.
- Noted proposals to reduce the storage requirement for emails.
- Noted that the Peterborough Volunteer Fire Service would have the same access and facilities as other stations.

The Strategy also includes a Delivery Road map which sets out activities to implement the Strategy over a 2 year period. One of the elements is to replace the existing ICT network contract with ntl which is coming to an end with a new contract which includes conditions relating to performance and an option for joining the County Council contract in 2012. The Committee has asked that a fully costed implementation plan be developed and agreed with participants with timescales for each activity. The Committee noted that £200,000 has been included in the Budget 2008/09 for investment in the Service’s ICT infrastructure.

The Committee has agreed that subject to a number of minor textual changes the ICT Strategy for the period 2008 to 2010 be approved and that a report on progress with implementation, including Budget requirements for 2009/10, be submitted to the Committee on 6th November 2008.

2. FINAL ACCOUNTS 2006/07 AND TREASURY MANAGEMENT STATEMENT

The Committee has received a report from the Treasurer on proposed Carry forwards, the Final Accounts 2007/08, the Treasury Management Statement, and the backward looking annual efficiency statement for 2007/08. Copies of these documents were included in the agenda for the Policy and Finance Committee circulated to all Fire Authority members.

Outturn and Carry Forwards

The final outturn position on the revenue budget, after application of carry forwards and transfers to earmarked reserves, is an overspend of £1000. The under spend is calculated after allowing for the following carry forwards of £1,408K. The Outturn position is summarised in Appendix 1 to this report

The Committee has agreed the following carry forwards from 2007/08 to 2008/09 which are required for:

- the transfer of £332k underspending on the current scheme of Local Financial Management to the new financial year for Goods and Services that were ordered in the old financial year but were not delivered or provided by 31st March;
- the transfer of underspending on training to pump prime the introduction of a new training strategy during 2008/09 (£121k);
- fund media and communication expenditure relating to initiatives started in 2007/08, but not fully implemented by the financial year end (£22k);
- Community safety initiatives such as Child Whispering and Stopwatch Theatre (£110k);
- Performance pay attributable to 2007/08 performance (£10k);
- District/Corporate carry forward in accordance with delegated carry forward scheme (£106k);
- Ringfenced CARPs funding (£500k); and,
- Carry forward of specific CLG grants (£207k);

Reserves

The useable general reserve is £1.763K, equivalent to 6% of the Authority's net budget. The Medium Term Finance Strategy approved by the Fire Authority in December 2006, incorporated a policy on the utilisation of reserves and a proposal of how they would be applied. This would see the Reserve reducing to approximately 5% of the net budget. The Chairman supports the high level of balances which would be required to meet the costs of major incidents, although some support would be available through the Government's Bellwin scheme. Reserves would also provide some flexibility in meeting the additional demands on Fire and Rescue Services arising from the Pitt Review of

Flooding, although representations are being made to government that any additional duties should be fully funded.

Capital Programme

The Capital programme for 2007/08 is 64% complete. The main reasons for the underachievement of the programme are:

- Delayed development of the Cambourne Fire Station
- Deferred replacement of lightweight portable pumps and breathing apparatus compressors as current equipment is still serviceable.
- Delayed implementation of time and attendance software.

Statement of Accounts 2007/08

The Committee has approved the Statement of Accounts for 2007/08 prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom and commonly known as the Statement of Recommended Practice (SORP).

In approving the accounts Members:

- Noted that the increase in number of vehicles is a consequence of the fleet review which resulted in Service provided vehicles replacing employee owned vehicles with consequent savings on payments and car loans and the ability to satisfy duty of care requirements.
- Noted that reason for the £39k reduction in payments to Customs and Excise would be checked.
- Discussed the varying periods over which buildings, vehicles and equipment were depreciated in the Accounts.

Annual Treasury Management Report 2007/08

The Committee has also approved the Annual Treasury Management Report 2007/08 which sets out the Authority's borrowings, loans and investments in 2007/08. The Authority adopted the CIPFA Code of Practice for Treasury Management in the Public Sector in December 2002 and operates its treasury management service in compliance with this Code.

Backward Looking Annual Efficiency Statement for 2007/08

The Committee has agreed the backward looking statement of efficiency gains of £173K in 2007/08 from changes in crewing arrangements, regional collaboration, reduced ill-health retirements, corporate services, and better procurement.

The Committee has congratulated Matthew Warren and Martin Gridley for the timely delivery of the reports, particularly as for the past six months Matthew Warren has been covering his previous post of Treasurer to the Authority in addition to his new post of Director of Resources.

3. LOCAL JOINT CONSULTATIVE COMMITTEE (JCC) – UPDATE 2008/09

The Committee received a report in June 2007 explaining the background of why the local officials of the Fire Brigades Union (FBU) were unable to embark on joint working with other Trades unions at Cambridgeshire FRS due to FBU national policy of not working with non Trade Union Congress (TUC) affiliated organisations.

Whilst this policy is in place both the Retained Firefighters Union (RFU) and UNISON have declined to be part of the local Joint Consultative Committee (JCC). It is felt by both unions that a constitution should be drawn up jointly with agreement of all three unions. All unions have previously expressed thanks to the Fire Authority for affording them the opportunity to be part of a JCC but were unable to meet until all parties were empowered and engaged.

The Committee has now been informed that at the FBU's Annual Conference in May 2008 there was no support for the motion to enable joint working with non Trade Union Congress (TUC) affiliated organisations at a local level. Both the RFU and UNISON have been advised and have stated informally that their position has not changed.

The Committee also received commentary of the possible participation of other unions in the JCC and noted that it would not be appropriate for the JCC to include representatives of the General Workers Union (GMB) or the Association Principal Fire Officers (APFO). The Fire Officers Association (FOA) has declined the offer to participate on a number of occasions but were considering their future position in light of revisions to the National Joint Council. This could lead to consideration being given to including them in an established JCC although the terms of reference of the JCC would need to be revised to accommodate their inclusion.

4. SECURITY ON CFRS PREMISES

Councillor S Giles has raised concerns about the vulnerability to personal attack of reception staff at Hinchingsbrooke Cottage. The Director of Resources has agreed to investigate what measures could be implemented to improve the situation and to advise members by email of the action taken. Members have agreed that the necessary works be implemented without the need for further reference to the Committee

CHAIRMAN

Source Documents	Location	Contact
Agenda, reports and minutes of the Policy and Finance Committee – 26/06/08.	Hinchingsbrooke Cottage Brampton Road Huntingdon	Michael Brown 01480 444572 michael.brown@cambsfire.gov.uk

APPENDIX 1 Budget Outturn 2007/08

Description	Revised Budget £	Actual to Date £	Variance £	Variance %
Full Time Firefighters	11,115,700	11,240,677	124,977	1.12%
Control Room Staff	903,400	970,992	67,592	7.48%
Local Govt. Employees	3,127,570	2,959,016	-168,554	-5.39%
Senior Management (Hay)	1,186,525	1,160,761	-25,764	-2.17%
Recruitment, Training & Insurance	763,353	728,306	-35,047	-4.59%
Fire Allowances	561,845	509,785	-52,060	-9.27%
EMPLOYEE COSTS	17,658,393	17,569,538	-88,855	0.50%
Property Maintenance	419,099	347,785	-71,314	-17.02%
Insurance	278,760	295,290	16,530	5.93%
Energy Costs	216,790	206,807	-9,983	-4.60%
Cleaning	99,660	93,919	-5,741	-5.76%
Rents & Rates	371,330	369,197	-2,133	-0.57%
PREMISES	1,385,639	1,312,998	-72,641	5.24%
Car & Cycle Allowances	172,019	173,093	1,074	0.62%
Vehicle Running Expenses	137,999	145,043	7,044	5.10%
Vehicle Insurance	189,040	173,059	-15,981	-8.45%
TRANSPORT AND MOVEABLE PLANT	499,058	491,195	-7,863	1.58%
Office Expenses	352,558	264,240	-88,318	-25.05%
IT & Communications Equip.	964,709	915,021	-49,688	-5.15%
Fire Equipment	303,517	260,016	-43,501	-14.33%
Uniforms & Clothing	383,790	370,365	-13,425	-3.50%
Other Supplies & Services	2,018,684	1,056,930	-961,754	-47.64%
SUPPLIES AND SERVICES	4,023,258	2,866,571	-1,156,687	28.75%
Agency Costs	65,830	77,666	11,836	17.98%
Support Service Contracts	36,990	26,719	-10,271	-27.77%
AGENCY & CONTRACTED SERVICES	102,820	104,385	1,565	1.52%
Debt Charges	1,176,320	1,231,421	55,101	4.68%
External Interest	-231,595	-353,065	-121,470	52.45%
CAPITAL FINANCING	944,725	878,356	-66,369	7.03%
CONTROLLABLE EXPENDITURE	24,613,893	23,223,044	-1,390,849	5.65%
Other Income	-544,119	-628,692	-84,573	15.54%
CONTROLLABLE INCOME	-544,119	-628,692	-84,573	15.54%
NET CONTROLLABLE EXPENDITURE	24,069,774	22,594,353	-1,475,421	6.13%
Pensions - Lump Sums	821,480	821,700	220	0.03%
Transfer Values - In	-28,000	-28,584	-584	2.09%
Transfer Values - Out	0	0	0	0.00%
Operational Fire Budget	2,799,473	2,867,702	68,229	2.44%
SAFETY-NETTED EXPENDITURE	3,592,953	3,660,819	67,866	1.89%
NET EXPENDITURE	27,662,727	26,255,171	-1,407,556	-5.09%